

# TENNESSEE REGULATORY AUTHORITY

Deborah Taylor Tate, Chairman  
Pat Miller, Director  
Sara Kyle, Director  
Ron Jones, Director



460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

## NOTICE OF FILING

**DOCKET: 03-00489**

**IN RE: Audit of Nashville Gas Company's Incentive Plan Account for the Plan Year Ended June 30, 2003**

**DATE: May 17, 2004**

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The above referenced docket was considered by Chairman Deborah Taylor Tate, Director Sara Kyle and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on April 26, 2004. As a result of the panel's deliberation, a Notice of Filing was issued on May 5, 2004, directing Nashville Gas Company to file on or before May 17, 2004, a proposal to remedy weaknesses in the IPA practices identified as Finding #1 and #2 in the Staff's IPA Audit report. On May 12, 2004, Nashville Gas Company filed a request for additional time to respond to the May 5, 2004, Notice.

In addition to the information requested on May 5, 2004, it is further requested that the following information be included in the proposal to remedy weaknesses in the IPA practices:

1. Information related to the inclusion of the asset management fee.
2. The validity of the indexes used in the IPA.
3. The reasonable level of excess capacity.
4. The implementation of Authority staff oversight of the RFP process.
5. The engagement of a paid outside consultant to assist Authority staff with future audits.

Both the response to the May 5, 2004 Notice of Filing and the additional request in this Notice shall be filed no later than **2:00 p.m. Thursday, June 17, 2004.**

FOR THE TENNESSEE REGULATORY AUTHORITY,

Deborah Taylor Tate, Chairman

c: Original in Docket File